



March 22, 2024

Dear County and District Superintendents and County and District Chief Business Officials:

## **School District Budgets: Changes to Public Notification Process**

Assembly Bill (AB) 721 (Chapter 811, Statutes of 2023) became law on January 1, 2024. This bill changed the process for public notification related to school districts' budgets by modifying *Education Code (EC) Section 42103*. This letter provides guidance to school districts and county offices of education (COEs) regarding changes before the 2024-25 budget adoption cycle.

It's important to mention that the general regulations outlined in *EC Section 42103* remain unchanged. The school district's governing board must hold a public hearing to approve the budget. The agenda for the hearing must be made public at least 72 hours prior and include information on where the budget can be accessed for public review.

The AB 721 bill has introduced some important changes to the way public notifications are made:

1. It replaces the traditional method of newspaper publication with website posting, making it the primary means of notification.
2. It places the responsibility of posting notifications on the district instead of the COE.
3. The COE must verify that the school district has complied with the new publication requirements.

AB 721 modifies the publication requirements in phases, as shown in the following table.

<b>Time Period</b>	<b>Requirement</b>
Prior to January 1, 2024	COE shall publish in a local newspaper:

Time Period	Requirement
	<ul style="list-style-type: none"> <li>• the date, time, and location of the public hearing,</li> <li>• the dates and locations at which the district’s proposed budget may be inspected.</li> </ul>
<p>January 1, 2024 – December 31, 2026</p>	<p>School district, or COE on behalf of school district, shall publish the budget hearing information in a local newspaper.</p> <p>A school district may also post the notice on the district’s internet website.</p> <p>Each COE shall verify that the publishing requirement is met for all school districts in their jurisdiction.</p>
<p>After January 1, 2027</p>	<p>A school district shall post the notice prominently on the homepage of the district’s internet website.</p> <p>School district, or COE on behalf of school district, may publish the same information in a local newspaper.</p> <p>Each COE shall verify that the publishing requirement is met for all school districts in their jurisdiction.</p>

If you have questions regarding this matter, please contact the Office of Financial Accountability and Information Services by email at [sacsinfo@cde.ca.gov](mailto:sacsinfo@cde.ca.gov).

Sincerely,

/s/

John Miles, Administrator

School Fiscal Services Division

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